

## Division of Gambling Control

### Trust Supplemental Background Investigation Information

DGC-APP-143 (New ~~06/07~~08/07)

DIVISION OF GAMBLING CONTROL  
P.O. Box 168024  
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#### PLEASE READ THE FOLLOWING PARAGRAPHS CAREFULLY BEFORE YOU COMPLETE THIS FORM

~~Business and Professions Code section 19852(e) requires every owner of a trust, then the trustee and, in the discretion of the Commission, any beneficiary and the trustor of the trust to apply for, and obtain a state gambling license issued by the California Gambling Control Commission. The purpose of this Trust Supplemental Background Investigation Information form is to obtain information from you that is necessary to determine whether you meet the requirements for licensure under state law. By completing this form you are providing information that will be used to make that determination.~~

The Gambling Control Act requires any "person" who is an owner of a gambling enterprise to apply for and obtain a state gambling license. Business and Professions (B & P) Code section 19850.

A "trust" is a "person." B & P Code section 19805(aa) provides that:

"Person," unless otherwise indicated, includes a natural person, corporation, partnership, limited partnership, trust, joint venture, association, or any other business organization. (Emphasis added.)

Thus, a trust that is an owner of a cardroom must be licensed, just as a limited partnership in the same position must be licensed. B & P Code section 19852 goes on to mandate that certain trust-related persons must also apply for and obtain a state gambling license before the trust itself can be licensed, and to authorize the Commission to require licensing of other specified trust-related persons. According to B & P Code section 19852, a trustee of a trust that is an owner of a gambling enterprise, must also apply for and obtain a state gambling license [B & P Code section 19852(e)]. Similarly, the Commission may in its discretion require that the trustor or the beneficiary of a trust that is an owner of a gambling enterprise apply for and obtain a state gambling license [B & P Code section 19852(e)].

"Trustor" means the same thing as "grantor," "donor," or "settlor": a person who creates a trust.

B & P Code section 19852, provides, in part:

Except as provided in Section 19852.2 [racetrack ownership], an owner of a gambling enterprise that is not a natural person shall not be eligible for a state gambling license unless each of the following persons individually applies for and obtains a state gambling license:

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"e) If the owner is a trust, then the trustee and, in the discretion of the commission, any beneficiary and the trustor of the trust." (Emphasis added.)

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A current beneficiary must be licensed if either of the follows applies:

(1) The beneficiary receives income from a trust that is an owner of a gambling enterprise. (B & P Code section 19850.)

(2) The beneficiary receives any percentage share of revenue from gambling activities. (B & P Code section 19852(g).)

A current beneficiary who falls in either of the two above-noted categories must submit the following forms:

- One Application for State Gambling License, CGCC-030 (Rev. 08/07); and
- One Gambling Establishment Owner Applicant-Individual Supplemental Background Investigation Information, DGC-APP-015A (Rev. 08/07).

A contingent or future beneficiary is not required to be licensed unless specifically directed to apply for a license by the Commission. However, a contingent or future beneficiary may elect to submit an application, if, for instance, the beneficiary wishes to avoid future delays in receiving income or a share in ownership from a cardroom when the future event occurs, for instance, the death of the current beneficiary.

The purpose of this Trust Supplemental Background Investigation Information form is to obtain information that is necessary to determine whether the applicant meets the requirements for licensure under state law. By completing this form, the applicant is providing information that will be used to make that determination.

This form is to be completed for all trusts. The trustee, trustor, and the beneficiary (if applicable) apply for licensure using the following forms:

- One Application for State Gambling License, CGCC-030 (Rev. 08/07); and
- One Gambling Establishment Owner Applicant-Individual Supplemental Background Investigation Information, DGC-APP- 015A (Rev. 08/07).

If the trustee is also the trustor and the beneficiary, only one CGCC-030 and one DGC-APP- 015A form needs to be submitted. In this situation, the applicant will indicate in Section 4 of the CGCC-030 form that he/she is applying in three separate capacities (trustee, trustor, and beneficiary).

~~You~~The applicant must provide truthful information in all your responses in this application. All answers to questions in this application, and all supplemental documentation provided by ~~you~~the applicant, will be subject to verification. Any misrepresentation or failure to disclose information required on this application may constitute sufficient cause for denial or revocation.

Type, or print legibly in blue or black ink, all information requested on this application. If a question does not apply to ~~you~~the applicant, write "N/A" (Not Applicable). Applications not fully and accurately completed will be returned to the ~~sender~~applicant for completion.

**Please send your completed Trust Supplemental Background Investigation Information form, along with a completed Authorization to Release Information form (DGC-APP-006, Rev. ~~05/07~~08/07) to the California Gambling Control Commission at 2399 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833-4231.**

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## SECTION 1: TYPE OF TRUST AND TRUST INFORMATION

A) TRUST NAME	B) <u>ORIGINAL</u> DATE OF TRUST  <u>C) AMENDMENT DATE(S)</u>	<del>C) D)</del> TYPE OF TRUST <input type="checkbox"/> REVOCABLE <input type="checkbox"/> IRREVOCABLE
<del>D) NAME OF STATE/TRIBAL LICENSEE/APPLICANT</del> <u>E) NAME OF SUITABILITY APPLICANT</u> (e.g., Cardroom, <del>Vendor, or Business Providing</del> Proposition Player <del>Services</del> <u>Provider</u> )		<del>E) F)</del> RELATIONSHIP TO <u>LICENSEE/SUITABILITY</u> APPLICANT (e.g., owner, shareholder, beneficiary)
<del>F) G)</del> DESCRIBE THE PURPOSE OF THE TRUST (e.g., estate planning, asset protection, charitable giving, etc.) <u>IF OTHER THAN ESTATE PLANNING, DESCRIBE THE PURPOSE OF THE TRUST.</u>		
<del>G) H)</del> IS THE TRUST IN EFFECT? <input type="checkbox"/> YES <input type="checkbox"/> NO IF NO, PROVIDE PLANNED EFFECTIVE DATE AND DESCRIBE TRIGGER FOR TRUST BECOMING EFFECTIVE: <u>EFFECTIVE DATE OF TRUST</u> _____ IF CONTINGENT, PLEASE EXPLAIN THE CONTINGENCY (e.g., death of the trustor)		
<del>H) I)</del> IS THE TRUST FUNDED? <input type="checkbox"/> YES <input type="checkbox"/> NO IF NO, PROVIDE AN EXPLANATION OF THE CIRCUMSTANCES AND ANTICIPATED TIME FRAME THAT ASSETS WILL BE TRANSFERRED TO THE TRUST: <u>CURRENT MARKET VALUE OF TRUST ASSETS (ESTIMATED) \$</u> _____		
<del>H) J)</del> TRUST TAX ID <u>NUMBER</u>	<del>J) K)</del> IS <u>THE</u> TRUST TAX ID NUMBER SEPARATE FROM THAT OF ANOTHER PERSON OR ENTITY?.. <input type="checkbox"/> YES <input type="checkbox"/> NO IF NO, COMPLETE BELOW; IF YES, GO TO SECTION 2.	

1) NAME OF INDIVIDUAL (First, MI, Last) OR ENTITY ASSIGNED TAX ID NUMBER	2) RELATIONSHIP TO TRUST (e.g., trustor)		
3) ADDRESS (Number / Street / Apt)			
4) CITY	5) COUNTY	6) STATE	7) ZIP CODE

## SECTION 2: TRUST STRUCTURE

LIST EACH TRUSTEE, TRUSTOR, AND BENEFICIARY. (If additional space is needed, attach a separate sheet of paper.)

A) INDIVIDUAL'S NAME (First, MI, Last) OR ENTITY NAME	B) ADDRESS (City, State, Zip Code)	C) SPECIFY TRUSTEE, TRUSTOR, AND/OR BENEFICIARY	D) CONTINGENT *
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO

\* CHECK "YES," IF THE INDIVIDUAL'S STATUS OR INTEREST IN THE TRUST IS CONTINGENT ON A FUTURE EVENT (and describe the contingenc(ies)). IF A BENEFICIARY CURRENTLY RECEIVES INCOME FROM THE TRUST, THAT PERSON IS NOT A CONTINGENT BENEFICIARY.

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**SECTION 3: TRUST AUTHORITY**

LIST EACH PERSON THAT HAS AUTHORITY OVER TRUST ASSETS AND/OR AUTHORITY OVER TRUST DISBURSEMENTS

A) INDIVIDUAL'S NAME (First, MI, Last) OR ENTITY NAME	B) DISCRETIONARY AUTHORITY OVER TRUST INVESTMENTS	C) SIGNATURE AUTHORITY OVER TRUST DISBURSEMENTS
	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO
	<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO

D) ~~DOES THE TRUST EMPLOY A PERSON OR ENTITY AS ITS INVESTMENT ADVISOR?~~ ☐ YES ☒ NO IF YES, PROVIDE NAME OF INDIVIDUAL OR ENTITY, NAME OF CONTACT PERSON FOR THE APPLICANT PHONE NUMBER ( ) EMAIL ADDRESS

NAME: \_\_\_\_\_

DESCRIBE DUTIES: \_\_\_\_\_

E) LIST THE NAME OF PERSON WHO PREPARES AND FILES THE TRUST'S FINANCIAL STATEMENTS AND TAX FORMS, IF APPLICABLE.	F) IS THIS PERSON AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT? <input type="checkbox"/> YES <input type="checkbox"/> NO
DESCRIBE DUTIES: <u>(e.g., bookkeeping, preparation of audited financial statements, investment manager)</u>	

~~FG~~ IS THERE ANY COMMINGLING OF THE TRUST ASSETS WITH ASSETS NOT A PART OF THE TRUST (If yes, provide details)..... ☐ YES ☐ NO

~~GH~~ IS ANY TRUSTEE ALSO A BENEFICIARY OF THE TRUST? (If yes, provide details if not listed in section 2.) ..... ☐ YES ☐ NO

**SECTION 4: REQUIRED ADDITIONAL DOCUMENTATION**

SUBMIT COMPLETED COPIES OF THE FOLLOWING ~~SIGNED~~ DOCUMENTATION WITH THIS APPLICATION. ~~ONLY DOCUMENTS THAT ARE DATED AND SIGNED BY ALL PARTIES WILL BE ACCEPTED. COPIES OF THE UNSIGNED DOCUMENTS WILL NOT BE ACCEPTED. FAILURE TO PROVIDE COMPLETED DOCUMENTS MAY RESULT IN A DENIAL OF YOUR LICENSE REQUEST.~~

- ☐ THE TRUST DOCUMENT AND ALL ~~SUBSEQUENT MODIFICATIONS, AMENDMENTS~~ (signed copies)
- ~~☐ PROVIDE A SUMMARY (in approximately two pages) OF TERMS OF TRUST (including any amendments), INCLUDING TIMING AND TRIGGER EVENT(S) THAT IMPACT STATUS OF INTERESTS IN THE TRUST AND/OR TRUST DISTRIBUTIONS.~~
- ~~☐ CURRENT FINANCIAL STATEMENTS.~~
  - ~~1) MOST RECENT BALANCE SHEET 2) LATEST INCOME STATEMENT~~
- AS OF: \_\_\_\_\_ PERIOD: FROM \_\_\_\_\_ TO \_\_\_\_\_
- ☐ A PLAIN ENGLISH SUMMARY (in approximately two pages) OF THE TERMS OF THE TRUST (including any amendments), INCLUDING CONTINGENCIES, IF ANY, THAT IMPACT THE STATUS OF INTERESTS IN THE TRUST AND/OR TRUST DISTRIBUTIONS.
- ☐ ITEMIZED LIST OF (A) ALL TRUST ASSETS AND THEIR CURRENT ESTIMATED FAIR MARKET VALUES AND (B) ALL TRUST LIABILITIES FOR THE 12-MONTH PERIOD PRECEDING THE DATE OF THIS APPLICATION.
- ☐ ITEMIZED LIST OF ALL TRUST INCOME AND EXPENSES, INCLUDING THEIR DOLLAR VALUES, FOR THE 12-MONTH PERIOD PRECEDING THE DATE OF THIS APPLICATION.
- ☐ ITEMIZED LIST OF ALL DISTRIBUTIONS AND DISPOSITIONS OF TRUST ASSETS FOR THE 12-MONTH PERIOD PRECEDING THE DATE OF THIS APPLICATION.
- ☐ IRS FORM 4506-T (available at www.irs.gov)
- ~~☐ CURRENT DIAGRAMS or CHARTS IDENTIFYING:~~
  - ~~1) ORGANIZATION OF TRUST AND ALL PARTIES INVOLVED WITH TRUST, WHETHER TRUSTOR, TRUSTEE, BENEFICIARY, OR OTHER.~~
  - ~~2) FLOW OF ASSETS (each or other) THROUGH THE TRUST. (Include income and corpus distributions.)~~

SECTION 5: DECLARATION/SIGNATURE		
A PERSON HAVING AUTHORITY TO ACT ON BEHALF OF THE TRUST, INCLUDING THE AUTHORITY OVER TRUST INCOME AND ASSETS, MUST SIGN THIS FORM.		
NAME AND TITLE OF PERSON COMPLETING THE APPLICATION: _____		
I declare under penalty of perjury, under the laws of the State of California that I have personally completed this form and know that the contents thereof, and the information contained herein, are true, accurate and complete, and that this declaration is executed by me at		
_____ On _____		
CITY AND STATE		DATE
PRINT FULL NAME	SIGNATURE	DATE